

D.T.E. 99-107

Petition of Boston Edison Company for approval of its 1999 Transition Charge True-Up, pursuant to G.L. c.164, § 1A(a), 220 C.M.R. § 11.03(4) and the Restructuring Settlement Agreement approved by the Department of Telecommunications and Energy in

D.P.U./D.T.E. 96-23.

APPEARANCES: Robert N. Werlin, Esq.

Keegan, Werlin & Pabian, LLP

21 Custom House Street

Boston, Massachusetts 02110

-and-

William S. Stowe, Esq.

Catherine J. Keuthen, Esq.

Boston Edison Company

800 Boylston St.

Boston, Massachusetts 02199

FOR: BOSTON EDISON COMPANY

Petitioner

I. INTRODUCTION

On November 30, 1999, pursuant to G.L. c. 164, § 1A(a), 220 C.M.R. § 11.03(4) and the Restructuring Settlement Agreement approved in Boston Edison Company, D.P.U./D.T.E. 96-23 (1998), Boston Edison Company ("BECo" or "Company") filed its 1999 Transition Charge True-Up filing for approval by the Department. The Company also filed a reconciliation of standard offer service costs and revenues for 1999, and

proposed updated charges and tariffs to be effective January 1, 2000.⁽¹⁾ Notice and a request for comments was issued to all the participants in Boston Edison Company, D.P.U./D.T.E. 96-23 (1998); Boston Edison Company, D.T.E. 97-113 (1998); and Boston Edison Company, D.T.E. 98-111 (1999).

On December 6, 1999, the Department requested comments from all electric distribution companies on the issues of distribution rate redesign and an appropriate inflation factor for rates effective January 1, 2000. The Department received responses from electric distribution companies, the Attorney General, and the Division of Energy Resources on December 9, 1999.

Upon review of these responses, on December 17, 1999 the Department sent all electric distribution companies a letter that delineated guidelines for distribution companies on distribution rate redesign and rate adjustment issues in their 2000 reconciliation adjustment filings ("December 17, 1999 Letter"). In response, on December 22, 1999, BECo filed new tariffs to take effect on January 1, 2000. On December 30, 1999, the Department suspended the operation of the rates and charges in the tariffs until January 14, 2000.

On January 4, 2000, BECo filed new tariffs. On January 5, 2000, BECo revised the tariffs filed on January 4, 2000, and filed new tariffs to take effect January 1, 2000.

Based upon the Department's review of the Company's filing and the comments received, the Department has determined that further investigation is necessary. The Department finds, however, that the revised tariffs filed by BECo on January 5, 2000, are in compliance with the directives outlined by the Department in its December 17, 1999 Letter, and are in the public interest. The revised tariffs provide a 15 percent rate reduction for all customer classes, adjusted for inflation through June 30, 2000. Consistent with the Department's directives, the inflation adjustment will be reconciled in the Company's next reconciliation filing (December 17, 1999 letter at 6). The Company's transition charge is subject to Department investigation in this proceeding.

II. ORDER

The Department, after review and consideration, it is

ORDERED: That the operation tariffs submitted by Boston Edison Company with the Department on January 4, 2000, M.D.T.E. Nos. 912, 913, 914, 915, 916, 917, 918, 919, 921, 922, 923, 924, 925, and 926, for service on and after January 1, 2000, be and hereby **ARE ALLOWED**; and it is

FURTHER ORDERED: That the tariff submitted by Boston Edison Company with the Department on January 5, 2000, M.D.T.E. No. 920, for service on and after January 1, 2000, be and hereby IS ALLOWED; and it is

FURTHER ORDERED: That the transition charge for Boston Edison Company is subject to reconciliation pursuant to an investigation; and it is

FURTHER ORDERED: That Boston Edison Company comply with any and all other directives contained in this Order.

By Order of the Department,

Janet Gail Besser, Chair

James Connelly, Commissioner

W. Robert Keating, Commissioner

Paul B. Vasington, Commissioner

Eugene J. Sullivan, Jr., Commissioner

1. Also on November 30, 1999, BECo and the Division of Energy Resources ("DOER"), filed a Joint Motion for Approval of a Settlement Agreement and Settlement Agreement ("Settlement") intended to resolve issues raised by BECo's Motion for Reconsideration filed in the Company's 1998 Transition Charge True Up in Boston Edison Company, D.T.E. 98-111 (1998). The Settlement involves, among other things, tariffs in this proceeding. BECo and DOER amended the Settlement on December 22, 1999 and January 4, 2000. The Department approved the Settlement on January 5, 2000.

Boston Edison Company, D.T.E. 98-111-A/D.T.E. 99-107(2000).